In the claims:

31. (Cancelled without prejudice)

The incoming data from the ESF is shown received and transmitted using Very Short Reach (VRS) optical transceivers. This is implemented using a Vertical Cavity Surface Emitting Laser (VCSEL) transceiver array, so-labeled, ~~with~~ which provides a low cost parallel laser array used for very short distances; in this case, transmission to and from the ESF. The data coming from the ESF is transformed from the optical domain to the electrical at that point. The Serdes (Serializer/Desearlizer) device~~,~~ ~~So~~ so labeled, takes the electrical signal from the VCSEL transceivers and converts it to a wider, slower parallel interface for the next series of chips.

Page 23, last paragraph and continuing on page 23, please replace as follows:

Further modifications will also occur to those skilled in this art~~;~~ . Other similar conversion functions can be visualized as well--for instance, wavelength converters present in the node can serve as another type of conversion element. While optical and packet data have been here described, the same conversion technique of the invention may also be applied for other combinations of communication networks, as well. Such and other variations, accordingly, are considered to fall within the spirit and scope of the invention as defined in the appended claims.